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DE RUEHLP #0225 0421328 ZNR UUUUU ZZH R 111328Z FEB 09 FM AMEMBASSY LA PAZ TO RUEHC/SECSTATE WASHDC 9975 INFO RUEHAC/AMEMBASSY ASUNCION 8801 RUEHBO/AMEMBASSY BOGOTA 6178 RUEHBR/AMEMBASSY BRASILIA 0141 RUEHBU/AMEMBASSY BUENOS AIRES 7362 RUEHCV/AMEMBASSY CARACAS 4409 RUEHCP/AMEMBASSY COPENHAGEN 0371 RUEHGE/AMEMBASSY GEORGETOWN 0937 RUEHPE/AMEMBASSY LIMA 4742 RUEHMD/AMEMBASSY MADRID 4360 RUEHMN/AMEMBASSY MONTEVIDEO 6136 RUEHPO/AMEMBASSY PARAMARIBO 0587 RUEHQT/AMEMBASSY QUITO 7026 RUEHSG/AMEMBASSY SANTIAGO 1790 RHEFDIA/DIA WASHINGTON DC RHEHNSC/NSC WASHINGTON DC RUEAIIA/CIA WASHINGTON DC RUMIAAA/USCINCSO MIAMI FL RHMFIUU/HQ USSOUTHCOM MIAMI FL RUEHUB/USINT HAVANA 1672 RUEKJCS/SECDEF WASHINGTON DC

UNCLAS LA PAZ 000225

SENSITIVE SIPDIS

USAID/LAC DEBBIE KENNEDY, EDWARD LANDAU

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SUBJECT: BOLIVIA: ENGAGING MAS-CONTROLLED ORURO

REF: A. LA PAZ 220 <u>¶</u>B. 08 LA PAZ 1055

- 11. (U) Charge's February 6 trip to Oruro to visit USAID-supported organic sweet onion and quinoa projects was well-received in the Oruro press and by the indigenous communities which benefit from USAID's projects. In Amachuma Catuyo, organic sweet onion farmers thanked the Charge and USAID for tools, technology, and marketing training projected to increase the producers' incomes by 16 percent from 2008 to 12010. The onion project benefits 937 people, while 1,200 people benefit from USAID's Quinoa Grain Project, which provides producers with technology, management, and market access support to increase producers' income by 20 percent. The Charge also visited USAID's Quinoa Flower Project, which seeks to improve the income of 178 single mothers from Caracollo, supporting their production of dried Quinoa flowers for domestic and export markets.
- 12. (SBU) In past meetings with Emboffs, Oruro Prefect Alberto Aguilar (a strong ally of President Evo Morales and member of his Movement Toward Socialism--MAS--party) has readily associated himself with the successful USAID projects in Oruro, one of the poorest departments (states) in Bolivia (ref B). On this occasion, however, Prefect Aguilar did not attend, sending in his place the Departmental Secretary of Productive Development Carlos Ari. Ari privately told Emboff that he regretted the expulsion of Ambassador Goldberg: since that time, many projects that the Prefect had planned to undertake with the USG have been "paralyzed" because the Prefect "had to distance himself" from the Embassy. Nevertheless, Ari said that the prefecture would like to re-establish a good relationship with the USG under President Obama in the hopes of continuing aid projects.
- 13. (U) In a statement to the press, Charge emphasized the USG's hopes for good relations and commitment to helping the poorest and most vulnerable segments of Bolivian society:

"Despite the difficult relations that we have had with Bolivia in the last year, we remain committed, we want to continue with aid programs to Bolivia." Charge added that USAID's cooperation is "a commitment with the Bolivian people."

14. (SBU) Comment: According to the prefect's office, Aguilar was unable to attend this event because of a schedule conflict, although in the past he has participated in USAID events and recognized USG support. Aguilar is a skillful self-publicist, however, and generally can be expected to make good use of press coverage such as that which the Embassy's Public Affairs Section arranged for Charge's visit. Aguilar's decision to "distance himself" from the USG, even at an event where he could associate himself with benefits to his constituents, is emblematic of the challenges the Mission faces when working in MAS strongholds such as Oruro. Grassroots support for USAID projects from beneficiaries is almost always strong, but official recognition of our cooperative efforts is minimal or nonexistent. The day after Charge's Oruro trip to support programs that have benefited over 2000 of Bolivia's poorest citizens, President Evo Morales addressed a crowd in the MAS stronghold of El Alto, repeating his allegations that the United States is a de facto imperial power and calling for "permanent struggle against colonialism, neoliberalism, and fundamentally against imperialism" (ref A). End comment. URS